



**Governor's Forest Health Oversight Council Meeting**  
**July 30, 2003 – 9:30 AM**  
**Northern Arizona University, Student Union – Kaibab Room**

**MINUTES**

In attendance:

Todd Schulke – Ctr. for Biological Diversity  
Alexious Becenti – Navajo Nation  
Darryl Willis – Prescott Fire Dept.  
Sandy Bahr – Sierra Club  
Hon. Tom O'Halleran – House of Reps.  
Lori Faeth – Governor's Policy Advisor

Bob Moffett, WMROC  
Kirk Rowdabaugh – Land Department  
Kent Bushman - APS  
Steve Campbell –U of A  
Hon. Joe Donaldson – Mayor, Flagstaff  
Ron Christensen – Gila Cnty Supervisor

Absent:

---

Call to Order

Meeting called to order at 9:40 AM by Representative O'Halleran

Introduction of Participants – Attendees

Participants introduced themselves and stated their affiliation.

Discussion and Action

**Briefing by Ian Fox, Timber Specialist with the Prescott National Forest.**

Key message: there is a need for industry, for use as a tool for forest health and restoration. There are high fuel areas that are inaccessible due to insufficient egress. Some of these areas have the potential to impact residents because of the location of communities in wooded areas. At this time there are three logging companies working on private issues. A lost market affects the timeliness of clean up. There are also three additional service contracts to remove material south of Crown King, in southwest Prescott and works link recreation areas. There is a liability to cover costs per acre, which limits areas to be treated. Is the solution to long term forest health issues an OSB plant? The possibility includes a reduction of hazardous fuels, preservation of wildlife and water supply.

Ms. Faeth requested that documentation should be provided to the Council to assist in public safety areas and information that supports there is no infrastructure in the industry.

The Sierra Club expressed concern that criteria for thinning is not being met and communities remain in continuous threat due to brush.

Rep. O'Halleran noted that there has been no study on the national level how much can be removed commercially to sell on the open market. And questioned, what is the market for all the lumber removed? Has there been any analysis by the forest service on how this will impact the market and how much lumber will be used in America? What study has been done to identify how much liability? At this time there is not enough commercial liability therefore we are flooding the market. In state, we don't have the mills to continue. If Arizona does not have the capacity, what is the Federal Governments proposal to handle the public safety?

Mr. Rowdabaugh stated we are aware that removal exceeds capacity. Nationally, what capacity does the nation have to handle the volumes of material in the next few years? Do the Federal Agencies have the ability and interest to answer.

Mr. Schulke stated that Arizona can ship logs to California and make a profit. This is not something that is sustainable. It includes a lost industry, which not useful to current issues. Economic use of small diameter trees is not profitable. An OSB plant is not the solution. The problem will not go away. Arizona forests are not highly productive.

**Presentation by the White Mountain Regional Development Corporation: *Forest Thinning Treatment Program Utilizing Industry.*** Handouts: copy of presentation, and Position Paper to the Arizona Congressional Delegation Forest Restoration and Economic Growth.

Mr. Moffett relayed to the Council that the lifetime of the plant is 25-30 years and small Pine is suitable for OSB (depending on moisture content). Mr. Schulke mentioned that material analysis and bio-mass is problematic. The simple formula doesn't account for arbitrary concerns. The Public is never involved. Lack of attention to other issues doesn't allow for accountability. Mr. Moffett responded by explaining a recent change in corporate attitude to "no dirty industry". Assurances have been given to everyone that environmental aspects of the corporate identity has changed dramatically. Mr. Schulke questioned what the incentive is for big industry in local participation? We need to avoid boom cycles. What is the best solution for community stability? Mr. Moffett answered that the plant is not to push out local incentive. There are future plans for grants to be issued to insure small business and a guaranteed loan program for those to rebuild local infrastructure. There is no annual volume anticipated?

Rep. O'Halleran closed the discussion and stated that the Advisory Committee is to be advised of plant. Future questions to be mediated thru Corey Cox.

**Greater Flagstaff Economic Council and Savannah Pacific: *Private/Public Sector Partnership for Forest Restoration***

Savannah Pacific hopes to place small Timber plant in Flagstaff. With local support from the private sector, this is a high tech mill focused on 16-inch diameter trees. A facility to mill small material and value added products, the product would increase in value. EXAMPLE: Laminated wood produced into construction lumber (high structural use with reinforcement). 1" x 4" could be made into 2" x 4" (with appropriate moisture content). A slow dry process allows for high recovery versus commodity mentality. Costs for renovation is cheaper using retrofit method (replacement of dilapidated beam with reinforced beam). The industry prefers to build one site close to the resource employed by 100 people. It is projected that the facility will cost \$15 million. It is anticipated that 35,000-40,000 acres of raw material per year is needed per facility. No specifications on wood fiber.

Rep. O'Halleran inquired about the current status. Savannah Pacific is scheduled to meet with the Governor and Senator Kyle. Support has also been established with private investors. However, support by the Forest Service is needed.

**Kirk Rowdabaugh, Director of Fire Management, Arizona State Lands.**  
**Progress Report: *Prioritizing Communities at Risk.*** Handout: Arizona Wildland Urban Interface Assessment 2003.

Interagency concerns: focus on high-risk areas. The assessment results show a 1-15 rating (levels and scoring on handout). De-emphasis typography and fire start

areas. A land hazard assessment shows that the lower southwest region of AZ is least at risk. There will be a future distribution of disks containing the study with charts.

*Please critique for next oversight and advisory.*

Mr. Campbell asked if it was possible to take the current information and do similar study on fuels? Mr. Rowdabaugh answered that the NFFL 12 standard models (three are not used) Fuels map includes nine fuels. (florida fuels?). TOM OHAL- take the areas to district Rangers, map of treatments? ID'd into a database...status?? KIRK- Cathy (not present) working with NATA (?) to determine what the current projects are and current status. No one else at this time has access to that information. Demo project to pull info to product reports for AZ. There is no agency to answer specific questions. Will Congress contribute funds for study?? TOM- NEEPA how do they fit in these areas? Kirk-n/a. each forest has answers to those questions but there is no agency to collect from each forest. IAN- could be created in GIS lab. Kirk-we need to specify what info is needed to prevent. TOM – How do we deal with the neepa approved project? What has neepa approved and what is the status of those products? The Navajo Nation will provide the neepa land within the BIA. Rep. O'Halleran- What are assessment results derived from? Kirk- Topography maps/studies. TODD- assess high priority acres? Kirk, yes.

Call to council: Preliminary recommendation to the Governor to proceed with identities for high risk, areas burned, hazardous areas and NEEPA areas within those areas.

#### Future Agenda Items and Meeting Dates

**Status update from Steve Campbell: Navajo County Forest Health Strategic Planning workshop.** Begin with the community side and interface. Structure is needed to recognize complexities, define interface and determine reasonable distance.

Rep. O'Halleran would like to know if the advisory committee has suggestions on how to identify urban interfacing areas (No recommendations from the Oversight Council at this time).

Steve Camp- landscape treatment, long term regular maintenance Rep. O'Halleran- need for inclusiveness...this is not just about fires ...quality of life should be considered....please advise of more appropriate description of statement...TOM DONALDSON-standard for national insurance...communities. Rules and regulations for support. Mills that work, (implementation sub committee). Consistent application. DARRYL MILLS- fire marshals office code is out of date. Recommendation to adopt current codes? Rep. O'Halleran - invitation to other interest groups to participate in Advisory Council and Oversight Committee. To determine state holder process. TODD – how much state influence in legislation that would require insurance company to follow guidelines regulatory requirements. Rep. O'Halleran - Lots of state influence but limited within each environment. JOE DONALD-State Farms requirements are above and beyond then the state is involved. Please consider that it may not be possible for all policyholders to meet the minimum requirements. Is there financial assistance available to help those individuals. Kirk- Arizona has allocated \$200,000 for that purpose. STEVE---Grants are available for low income families and there is other financing available but the payouts are small. Kirk- There are websites available for individual landowners. Rep. O'Halleran -Next week plan of action to address those specific issues.

#### **Next meeting:**

Date: 8/20/03 - 8/21/03 Show Low

Time: TBA (no earlier than 9:00 AM)

\*\*\* Joint session between the Oversight Council and Advisory Committee for possible participation by Jack Cohen (higher attendance)? \*\*\*

Date: 9/11/03 Prescott

Time: TBA

Date: 10/2/03 (tentative) – Tucson

Time: TBA

#### Announcements and Public Comments

Sharon Galberth, Southwest Forest Alliance

Q: What amount of water is used for waste disposal?

A: The very minimum

Q: How much waste disposal?

A: Very little, as it is used for energy production.

Q: Manufacturing process?

A: To be continued in written documentation is provided.

FEMA – Aspen Fire Recovery Session

Date/Time/Location: TBA

Urban Interface Code- To be sent out

#### Adjournment

Hearing no other business, meeting adjourned by Rep. O'Halleran at 12:08 PM.